

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

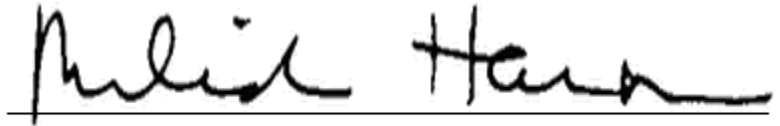
NORTH AMERICAN SPECIALITY	§	
INSURANCE COMPANY,	§	
	§	
Plaintiff,	§	
VS.	§	CIVIL ACTION NO. H-03-2922
	§	
ROYAL SURPLUS LINES INSURANCE	§	
COMPANY, <i>et al</i> ,	§	
	§	
Defendant.	§	

**MEMORANDUM & ORDER**

Pending before the court, in this insurance coverage dispute, is Plaintiff North American Specialty Insurance Company's ("NAS's") motion for reconsideration and request for ruling on issues left purposefully undecided (Dkt. 116). In the first part of its motion, NAS requests that the court reconsider a number of its rulings in light of the Fifth Circuit's recent opinion in *Royal v. Caliber One*, 465 F.3d 614 (5th Cir. 2006). In the second part of its motion, NAS requests an order allocating one of the insured's defense costs to Defendant Royal Surplus Lines Insurance Company ("Royal"). The court has examined the Fifth Circuit's opinion in *Royal*, NAS's motion for reconsideration, Royal's response (Dkt. 117), and the court's own prior orders in this case (Dkt. 58 & 110). After doing so, the court finds that its prior rulings remain correct and that the Fifth Circuit's opinion in *Royal* supports the court's disposition of the issues in this case. Accordingly, NAS's motion for reconsideration (Dkt. 116) is DENIED. NAS's request for ruling on issue left purposefully unresolved (Dkt. 117) is likewise DENIED. The only issue left unresolved by the court's prior order (Dkt. 110) was whether NAS's policy covered Heritage Housing. In light of the state court of appeals' s ruling, reversing the judgment against Heritage

Housing, that issue is MOOT.

Signed at Houston, Texas, this 1st day of May, 2007.

A handwritten signature in black ink, appearing to read "Melinda Harmon", written over a horizontal line.

Melinda Harmon  
United States District Judge